

## County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

November 6, 2019

The Honorable Bill Jahn
President, Regional Council
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Mr. Jahn:

Board of Supervisors HILDA L. SOLIS First District

MARK RIDLEY-THOMAS Second District

SHEILA KUEHL Third District

JANICE HAHN Fourth District

KATHRYN BARGER Fifth District

#### REGIONAL HOUSING NEEDS ASSESSMENT COMMENTS

Thank you for the opportunity to provide comments on the Regional Housing Needs Assessment (RHNA) methodology (Item No. 4, Agenda of November 7, 2019). The County of Los Angeles (County) appreciates the openness of the Southern California Association of Governments (SCAG) to respond to the substantial public input on the RHNA methodology. The number of public comments points to the considerable interest of the public and local governments on this issue, which, while technical, impacts the everyday lives of County residents and the broader Southern California region.

Building on the June 27, 2019 comments submitted by the County's Department of Regional Planning (see attachment), I am submitting this letter on behalf of the County's Board of Supervisors (Board) and as directed by them in a motion adopted on November 5, 2019, in support of a methodology that is aligned with our recently adopted OurCounty Sustainability Plan (Plan). The Board adopted the Plan on August 6, 2019, midstream in the process of developing SCAG's RHNA methodology; therefore, this letter serves to bridge our previous comments submitted by the Department of Regional Planning with the Board's action on the Plan.

The Plan outlines a bold, inclusive and truly regional vision for the present and future generations of the County. Due to the overwhelming public support for the Plan and its relevance to the RHNA methodology, we highlight examples of key parts of the Plan pertinent to the Regional Council on this item, specifically related to prioritizing construction of homes near transit and jobs and developing resilient and healthy community environments where residents thrive in place, while avoiding increased urbanization in fire hazard areas.

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- Goal 1, Strategy 1A: Minimize the exposure of vulnerable populations to pollution and reduce health disparities.
- Goal 3, Strategy 3A: Increase housing density and limit urban sprawl, including the construction of new homes in urban areas that are well-connected to transit, jobs, and services.
- Goal 3, Strategy 3B: Implement Transit-Oriented Development.
- Goal 3, Target 3B: Countywide, produce at least 75 percent of new housing built within half a mile of high-frequency transit by 2045.
- Goal 3, Strategy 3E: Limit development in high climate-hazard areas.
- Goal 7, Strategy 7A: Countywide, achieve carbon neutrality by 2050.

Knowing that the County is at risk of losing approximately 10,300 existing affordable homes, with 89 percent located in transit-accessible neighborhoods, a recent report recognizes areas near transit are at higher risk for gentrification. With the County's significant affordable housing shortfall of 517,000 homes affordable to the lowest income renters<sup>2</sup>, an alternative methodology prioritizing the development of housing near transit and jobs would better align with the County's efforts to address this tremendous need for affordable housing.

In addition to the Plan, the Board recently has taken significant action to invest dedicated resources to support the production and preservation of affordable housing as well as protect renters in response to our unprecedented housing crisis. For instance, in the current Fiscal Year (FY) 2019-20, the Board has allocated a total of \$80 million for the production and preservation of affordable housing, and the County has committed to allocating \$100 million annually beginning in FY 2020-21. The majority of these funds support the Los Angeles County Development Authority (LACDA) Notice of Funding Availability to provide capital funding for affordable housing and rental assistance, with linkages to supportive services. In 2019, of all County-administered funding totaling \$313 million for affordable housing, LACDA anticipates leveraging \$4.41 for every \$1.00 of County investment, totaling over \$1.7 billion in capital funding. Moreover, since 2017, through the State's Affordable Housing and Sustainability Communities (AHSC) program, the County has been awarded \$60 million in AHSC funds to develop over 500 affordable housing units and community infrastructure improvements near transit to reduce Greenhouse Gas emissions. Further, County voters approved Measure M in 2018, which serves as a \$120 billion investment over 40 years to support transportation improvements. In summary, these are examples of County efforts that would better align with a different RHNA methodology more strongly supporting the production and preservation of affordable housing near transit and jobs.

<sup>&</sup>lt;sup>1</sup>California Housing Partnership Corporation, County of Los Angeles Third Annual Affordable Housing Outcomes Report, May 24, 2019.

<sup>&</sup>lt;sup>2</sup>Lowest income renters earn 50% of the Area Median Income or below.

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With that background, the County submits the following key recommendations in support of an alternative methodology:

- The final methodology should prioritize jobs and transit accessibility, rely less on household growth, support infill development, and avoid increased urbanization in areas of high and very high fire severity hazard.
- The final methodology should more fully serve as an enabling tool to help the County to realize the goals, strategies, and targets of the Plan and other County priorities related to Affordable Housing, including those described above.
- The final methodology should consider the factors and recommendations submitted in the County's letter submitted on June 27, 2019. The County appreciates and supports the inclusion of a social equity adjustment. Some factors from our previous letter that have not yet been incorporated include environmental justice, a baseline allocation, and very high fire hazard severity zones. We would continue to strongly urge you to consider these factors in your final methodology.

I thank you for your thoughtful consideration on this issue of long-term impact on the 10 million residents of the County. We welcome further discussion with your staff.

If you have any questions regarding this matter, please contact Ms. Amy Bodek, AICP, Director of Regional Planning, at abodek@planning.lacounty.gov or (213) 974-6401.

Sincerely,

CHIEF EXECUTIVE OFFICER

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RK:jg

Attachments

c: Amy Bodek



# Los Angeles County Department of Regional Planning

Planning for the Challenges Ahead



Amy J. Bodek, AICP
Director of Regional Planning
Dennis Slavin
Chief Deputy Director,
Regional Planning

June 27, 2019

The Honorable Peggy Huang, Chair RHNA Subcommittee Southern California Association of Governments 900 Wilshire Boulevard, Suite 1700 Los Angeles, CA 90017

Dear Ms. Huang,

### REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) METHODOLOGY

On behalf of the County of Los Angeles Department of Regional Planning (DRP), I wish to commend Southern California Association of Governments (SCAG) and the RHNA Subcommittee for hosting public meetings regarding the proposed RHNA methodology for the entire region. While it is understood that the final methodology has not yet been determined, SCAG staff reports to the RHNA Subcommittee indicate the direction this methodology is taking. As such, it is appropriate for DRP to comment on the potential impacts to the County's unincorporated areas.

The County of Los Angeles (County), under the auspices of its Board of Supervisors, has set a progressive agenda for housing production, affordability, and equity. It sponsored and manages the historic opportunity to reorient land use decision-making by prioritizing equitable benefits from growth and development enjoyed by residents at all income levels, preservation and production of safe and affordable housing, and reducing neighborhood health disparities as we embrace continued demographic, social, economic changes to the unincorporated areas.

As the County makes significant strides toward its goals, DRP applauds SCAG and the RHNA Subcommittee for taking important steps in the development of RHNA methodology. However, DRP would like to provide comments to SCAG and the RHNA Subcommittee for consideration that can help further equitable planning for housing development in Los Angeles County.

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Consider a baseline RHNA allocation for all jurisdictions

DRP strongly supports a baseline RHNA allocation for all jurisdictions, in addition to the currently proposed RHNA methodology. The baseline allocation could be on a sliding scale to not overly burden smaller jurisdictions, but also to ensure that every jurisdiction within the SCAG region participates to solve the regional housing crisis. Having a baseline also prevents more well-heeled cities with extensive political clout from unduly influencing the development of the RHNA methodology, while promoting more equitable distribution of the burden to meet the regional expectation.

Consider a development restriction factor in determining existing housing need SCAG and the RHNA Subcommittee should acknowledge the geographic diversity of the unincorporated areas in its methodology and not rely exclusively on the population share when allocating the existing housing need. The unincorporated areas house 1.1 million of the 10.16 million residents who call Los Angeles County home, which translates to approximately 10% of the regional population, while the County unincorporated areas encompass over 2,600 square miles. DRP encourages the consideration of a population density factor in addition to a regional share of population when determining the RHNA allocation of existing housing need. This will address our concerns over the unincorporated areas where multiple barriers to housing development exist, including other conflicting land use policies (e.g., preservation of agricultural lands; protection of Significant Ecological Areas), geological hazards, or lack of adequate water supply. The County's varied geographic features, ranging from coastal protected assets to mountainous forests to arid deserts, create existing geographic barriers to housing development in the majority of the unincorporated areas.

Consider a reduction of allocation due to a loss of housing units based on fire events within Very High Fire Hazard Severity Zones

The County's unincorporated communities experienced devastating housing losses due to the Woolsey Fire in November 2018. These housing units were entirely located within Very High Fire Hazard Severity Zones (VHFHSZs). There is growing support statewide to restrict residential construction in VHFHSZs. As a region that contains large fire-prone areas throughout, it is critical to ensure the appropriate siting of residential construction as much as is feasible. Reducing the allocation of replacement units due to fire events within VHFHSZs will support the regional movement towards fire-safe environment for housing. In addition, DRP urges SCAG and the RHNA Subcommittee to consider a factor to account for replacement units being constructed outside of VHFHSZs.

Consider an environmental justice factor

DRP urges SCAG and the RHNA Subcommittee to consider the application of CalEnviroScreen, or comparable local tool if available, to determine RHNA allocation. This well-established environmental justice mapping tool identifies those communities most affected by various sources of pollution, both mobile and stationary. This is especially critical as most High Quality Transit Area falls within the top 25% of the CalEnviroScreen score, which translates to 'disadvantaged communities.' Incorporating

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an environmental justice factor into the RHNA methodology will help lessen the overconcentration of low-income households that are exposed to various health risks from pollutants.

Consider a 150% social equity factor for existing housing need and projected housing need

DRP is encouraged by the inclusion of a social equity factor in the proposed methodology for determining existing housing need, and applauds the RHNA Subcommittee for taking this important step. However, DRP recommends that the RHNA Subcommittee to take a stronger leadership position and apply a 150% social equity adjustment across the board, for both the existing housing need and projected housing need, while maintaining the three affordable income categories in the existing need distribution. SCAG and the RHNA Subcommittee should take this opportunity in the RHNA methodology development process to further the equitable distribution of various income-level households in the region.

The RHNA process has provided opportunities for meaningful collaboration among local jurisdictions and SCAG. DRP appreciates SCAG and the RHNA Subcommittee for considering the comments and recommendations presented in this letter. As a partner of SCAG, DRP will continue to work toward promoting more equitable and sustainable housing development in the region.

Sincerely.

AMY J. BODEK, AICP

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Director of Regional Planning

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AGN. NO.

MOTION BY SUPERVISORS HILDA L. SOLIS AND JANICE HAHN

**NOVEMBER 5, 2019** 

#### Regional Housing Needs Assessment Methodology

The California Housing Element Act of 1969 mandates all jurisdictions update local housing elements every eight years to project the number of low, middle, and market rate housing needed for its residents. The Regional Housing Needs Assessment (RHNA) ensures local plans include existing and projected housing need for all income levels throughout their region. The California Department of Housing and Community Development (HCD) begins the RHNA process by providing a regional housing need determination to council of governments. Within each region, the council of government develops a methodology to distribute the determined housing need among its jurisdictions. For the 6th cycle RHNA allocation plan, the planning period will cover October 2021 through October 2029; the Southern California Association of Governments (SCAG) plans to adopt a regional plan in October 2020.

On August 1, 2019, SCAG released a proposed methodology with three options for public comment and received feedback through September 13, 2019. Based upon

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public comment, SCAG developed a recommended draft RHNA methodology, which was reviewed by the RHNA Subcommittee on October 7, 2019. On November 7, 2019, the SCAG Regional Council is to vote on the draft; if approved, SCAG would send the draft methodology to HCD for their 60-day review and comment period as required by State law.

In determining distribution of existing and projected housing need for jurisdictions, SCAG proposed three main factors in the draft methodology: 70% based on household growth (based on SCAG's Growth Forecast); 15% based on job accessibility; and 15% based on transit accessibility. During the comment period, SCAG received approximately 250 comments, and the role of local input, specifically SCAG's Growth Forecast, has received significant feedback. Stakeholders offered varying suggestions regarding the role of SCAG's Growth Forecast, from being the sole factor to having no role in distribution of the RHNA allocation.

However, there are other alternative solutions that retain local input and balance the factors between household growth, jobs, and transit accessibility. These alternative methodologies provide a balanced approach for our region to address the housing and homelessness crises, by increasing access to areas of high opportunity for lower-income residents by allocating housing near jobs and transit.

On August 6, 2019, the Board of Supervisors adopted the OurCounty Sustainability Plan, which laid out a regional vision for a sustainable future. Several of the goals, strategies, actions, and targets of the OurCounty Sustainability Plan address aspects related to the RHNA methodology, such as equitable and sustainable land use, increased housing affordability, increased access to job centers, and lower vehicle miles

traveled.

WE, THEREFORE, MOVE that the Board of Supervisors instruct the Chief Executive Officer to provide a written letter to the SCAG Regional Council on behalf of the Los Angeles County Board of Supervisors for adoption of an alternative methodology to that currently proposed by SCAG staff for allocation of housing. The alternative methodology should prioritize jobs and transit accessibility, rely less on projected household growth, support infill development, and avoid increased urbanization in areas of high and very high fire hazard. Further, this alternative methodology should be aligned with the County of Los Angeles' OurCounty Sustainability Plan. This letter supporting an alternative methodology for housing needs determination shall be provided prior to the SCAG Regional Council meeting that will be held on November 7, 2019.

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#### **NOVEMBER 5, 2019**

## MOTION BY SUPERVISORS HILDA L. SOLIS AND JANICE HAHN

#### Regional Housing Needs Assessment Methodology

CATEGORIES: (Please check ⊠ those that apply)
☐ 1. Child Welfare
☐ 2. Community and Youth Empowerment
☐ 3. County Services
☐ 4. Economic Justice
☐ 5. Economic and Workforce Development
☐ 6. Education
□ 7. Environment
☐ 8. Fiscal
☐ 10. Health
□ 11. Homelessness     □
☐ 12. Immigration
☐ 13. Public Safety
☐ 14. Social Justice and Human Rights
☐ 15. Technology and Data
☐ 16. Arts, Culture, and the Creative Economy
☐ 17. Legislation
☐ 18. Parks and Open Space
☑ 19. Planning/Land Use
□ 20. Transportation
☐ 21. Veterans